

July 23, 1975

Mr. G. Warnock  
3620 Wyoming Boulevard, N.E., Suite 201  
Albuquerque, New Mexico 87111

Dear Mr. Warnock:

Paragraphs (a) and (b) of Article VII of Mining Lease No. AT(05-1)-ML-60.8-NM-B-1 set forth in detail the provisions for payment of interest on overdue royalty payments and the right of the Contracting Officer to cancel the lease for failure to pay the principal amount of any royalty payment.

The minimum annual royalty for the second lease year for lease tract NM-B-1 became due and payable June 12, 1975, and interest began to accrue therefore on June 13, 1975, at a rate of twelve (12) percent per annum based on a 365 day year.

Very truly yours,

James Stavast, Chief  
Finance and Budget Branch

bcc: PPPowers, ASD, GJO  
Accounting  
GCRitter, MD, LPI

52 0 01 701 101

GRAND TITRATION OFFICE  
RECEIVED

Warnock - ML-NM-B-1

OFFICE	ASD	ASD	ASD	ASD	ASD	ASD
NAME	Stavast:jsp	Powers	McGinty	Westbrook	Albrethsen	
DATE	7/23/75	7-23-75	7/27/75	7/15/75	7-25-75	